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SOURCE Chinese document, Shan-hsi Kung-yieh ti Hsin-tzu (New Aspect of Shansi Industry), Northwest Industrial Development Corporation, Editorial Committee, 1 July 1948. (Translation specifically requested.)

SURVEY OF SHANSI INDUSTRY

I. NORTHWEST INDUSTRIAL DEVELOPMENT CORPORATION
(Source: Chin-yung Jih-pao (Financial Daily), 1 May 48)

A. Introduction

After the outbreak of the 18 September 1931 Incident, all of China began to clamor for the conversion of the northwest area into an arsenal of national defense. In compliance with this rising demand, Yen Po-ch'uan concluded a "Ten-Year Construction Pact" between Shansi and Suiyuan Provinces to promote the industrial development of this area. The Northwest Industrial Development Corporation was formally established on 1 August 1933 to organize and supervise the development of some 33 factories and mines throughout the northwest area.

By 1936 these plants and mines had developed into prosperous enterprises and formed the nucleus of North China industry. The total capital assets of these industries before the war [1937] were valued at 30 billion yuan, and 2,067 management personnel and 18,597 laborers were employed by them.

After the outbreak of the war in 1937, the Northwest Industrial Development Corporation was ordered by the government to convert many of its factories for the production of war materials. However, with the exception of a little machinery which was removed to the mountains, the majority of these plants fell into enemy hands with the fall of T'ai-yuan.

When hostilities ended, the Northwest Industrial Development Corporation immediately issued orders to its branch heads to regain control of its many subordinate industries and mines and to occupy temporarily some

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13 plants owned and operated by the Japanese. Although the number of factories and mines now controlled by this corporation is the same as during the prewar period, the factories themselves have deteriorated considerably.

Most of the factories and mines were reopened by December 1945 through the diligent efforts of all the workers who immediately undertook the difficult task of repairing and restoring the various installations. However, maintenance of production by these industries became an exceedingly difficult task with the spread throughout the northwest area of such Communist activities as sabotaging of factories and mines, blockading of supply routes, etc. Consequently, the industries in the northwest area must now rely on expensive air transportation for necessary supplies.

At the present [1948], the Northwest Industrial Development Corporation controls some 52 factories and mines. However, only 33 of these are in operation. It is now employing about 2,000 management personnel and 18,500 laborers.

B. Organization

In organizing the Northwest Industrial Development Corporation, Yen adhered to Sun Yat-sen's principle of restricting the private capital system. By outlawing the private management system, he hoped to do away with social inequities. The choice was between a corporation managed by the leaders of the province (i. e., provincial government) or by the people of the province. The system of direct management by the people was finally adopted.

To avoid placing directly upon the people the responsibility for raising the required capital, the corporation floated industrial bonds each month. Thus, people throughout the province were able to purchase these bonds, which were payable in installments, and thus became part owners of the corporation.

As the number of industries under its control increased, the head office of the Corporation found administrative supervision over all matters concerning its subordinate industries a more and more difficult task. Therefore, a system was adopted whereby production matters were handled exclusively by the respective factory or mine concerned, while all business matters were handled by the head office. This system of management, which still preserved unified control, proved very successful in coping with problems such as the effective utilization of surplus capital, marketing of manufactured goods, supplies, attainment of greater efficiency, etc.

The present organizational structure of the Northwest Industrial Development Corporation is shown in the table on the following page.

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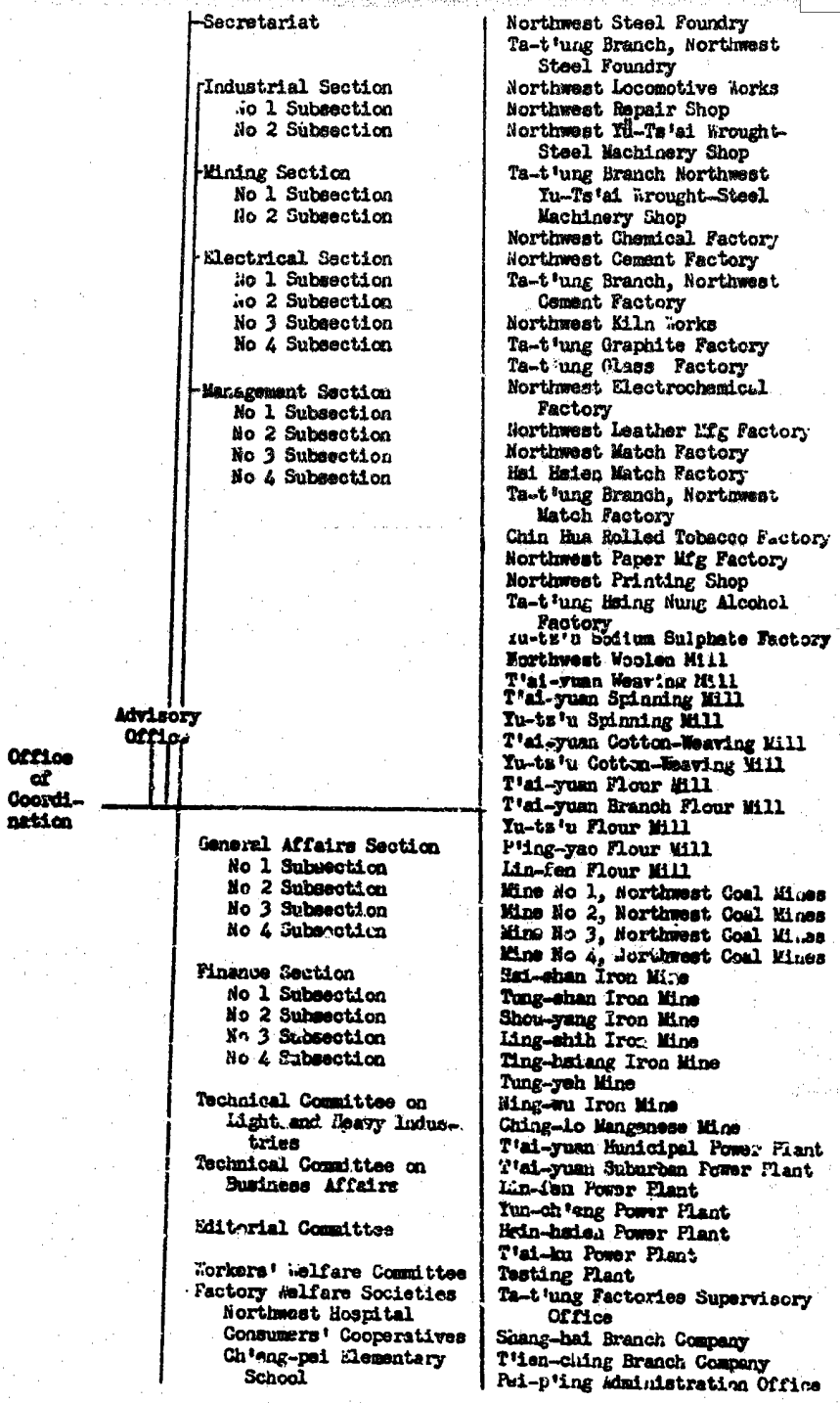

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Ch'eng-nan Elementary School	Hsi-an Administration Office
Technical Training Squad	Shih-men Administration Office
	Ch'ing-tao Administration Office
	Lin-fen Administration Office
	I-t'ang Coal Mine Supervisory Office
	T-ai-yuan Coal Distributing Office
	Northwest Lumber Mill
	T'ai-pai Road Supervisory Office

C. Main Installations and Output of Various Factories and Mines (1948)

Name of Factory	Installation	Monthly Productive Capacity
T'ai-yuan Northwest Steel Foundry (including Ta-t'ung Branch Factory)	Three 5,000-kw generators	Crude iron: 6,000 tons
	One 150-ton blast furnace	Steel ingots: 3,600 tons
	One 120-ton blast furnace	(Note: Two of the 5,000-kw generators of the T'ai-yuan Northwest Steel Foundry can generate only 3,500 kw each)
	One 50-ton blast furnace	
	One 100-ton blast furnace	
	Two 30-ton open-hearth furnaces	
	One 240-ton coke oven	
	One unit of by-products disposition plant	
	Medium-type rolling mill	
	Small-type rolling mill	
Ting-hsiang Iron Mine	Necessary mining equipment	Iron ore: 6,000 tons
	One 1,200-kw generator	
	One 600-kw generator	
Tung-shan Iron Mine	Necessary mining equipment	Iron ore: 600 tons
Ming-wu Iron Mine	Necessary mining equipment	Iron ore: 3,000 tons
	One 500-kw generator	

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Tung-yeh Mine	Necessary mining equipment	Dolomite: 3,000 tons
Mine No 1, Northwest Coal Mines	One vertical shaft	Coal: 4,500 tons
	One incline shaft	
	One horizontal shaft	
	One 1,000-kw generator	
	Three 50-hp hoisting engines	
	One 20- hp hoisting engine	
	One 200-hp hoisting engine	
	One 30-hp hoisting engine	
	One 120-hp hoisting engine	
	Two 60-hp water pumps	
	One 30-hp water pump	
	One 15-hp water pump	
	One 5-hp water pump	
	Two 30-hp electric motors	
	One 20-hp electric motor	
	Two 10-hp ventilating fans	
	Three 1,000-kva three-phase transformers	
Mine No 2, Northwest Coal Mines	One incline shaft	Coal: 10,000 tons
	One horizontal shaft	
	One vertical shaft	

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	One 156-kva generator	
	One 82.5-kva generator	
	One 195-hp steam engine	
	One 95-hp steam engine	
	Three 30-hp hoisting engines	
	Three 10-hp hoisting engines	
	One 15-hp water pump	
	Three 10-hp water pumps	
	One 7.5-hp water pump	
	One 10-hp electric motor	
	One 5-hp boiler	
Mine No 3, Northwest Coal Mines	3 horizontal shafts	Coal: 15,000 tons
	One 40-kw generator	
	One 50-kw generator	
	One 4-kw direct-current generator	
	One 20-hp hoisting engines	
	One 5-hp water pump	
	One 10-hp water pump	
	One 10-hp ventilating fan	
	One 10-hp electric motor	
	One 25-hp steam engine	
Mine No 4, Northwest Coal Mines	One vertical shaft [Of Section VIII]	Coal: 5,000 tons

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	One 10-hp steam shovel	
	One 20-hp steam shovel	
	One 10-hp water pump	
	One 50-hp water pump	
	Three 50-kva single-phase transformers	
Northwest Cement Factory (including Ta-t'ung Branch)	Three inclined rotary kilns	Cement: 9,000 tons
	One magnetite arc furnace	Calcium carbide 60
	One 300-hp raw materials ball mill	
	One 200-hp coal ball mill	
	One unit of drying equipment	
Northwest Kiln Works	One 110-ton circular kiln	Silicon fireproof bricks: 1,500 tons
	One 200-ton circular kiln	High-quality fireproof bricks: 1,500 tons
	Five 60-ton square-shaped kilns	Construction bricks: 350,000 pcs
	Six 80-ton square-shaped kilns	
	4 vertical porcelain smelters	
	One glass smelter	Glass products: 10 tons
Northwest Yu-Ts'ai Wrought Steel Machinery Shop	125 pieces of machinery	Specialized manufacturing machinery: 50 units
	One 3-ton electric furnace	Other machinery, such as water pumps, etc.: 20 tons
	One 1.5-ton electric furnace	(Note: At present this shop is concentrating on production of machinery for weaving and flour mills.)
	One complete installation for manufacturing iron rivets	

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	One complete installation for producing oxygen	
Northwest Repair Shop	320 pieces of machinery	Mining, farming, electrical, industrial, and other equipment manufactured: 100 tons
Northwest Locomotive Works	257 pieces of machinery	Number of locomotives repaired: 30
	One 1,000-kw generator	Number of cargo and passenger cars repaired: 100
	(Note: Now making preparations to construct locomotives and locomotive accessories.)	
	One complete installation for repairing locomotives	Industrial machinery: 25 units
T'ai-yuan Cotton-Weaving Mill	30 looms	40-yd. white calico: 750 bolts
Yu-ts'u Cotton-Weaving Mill	40 looms	40-yd white calico: 850 bolts
Northwest Wool-Weaving Mill	4 coarse comb-machines	Alpaca: 24,000 yd
	300 fly frames (weaving)	Wool cloth: 12,000 yd
	2 combing machines	Blankets: 600 pc
	700 jennies	
	41 power looms	
T'ai-yuan Weaving Mill	26 machines for making knitted underwear materials	Materials for knitted underwear: 50,000 lb
	76 sock-manufacturing machines.	Socks: 45,000 doz
	13 glove-manufacturing machines	Gloves: 1,200 doz

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	314 sewing machines	Clothes: 60,000 pc
Northwest Match Factory (including Ta-t'ung Branch Factory)	46 wood-sorting machines	Phosphorus sulphide matches: 3,600 large boxes
	8 log strippers	
	6 log cutters	
	6 wood-splintering machines	
	2 complete match-dipping installations	
Northwest Chemical Factory	One complete installation for manufacturing black gun powder	Explosives used in mines: 75 tons
	One complete installation for manufacturing ammonium nitrate explosive	Sulphuric acid: 45 tons
	One complete installation for manufacturing nitric acid	Nitric acid: 15 tons
		Alcohol: 12 tons
	One complete installation for manufacturing pyrotechnic supplies	By-products: 3 tons
	One complete installation for manufacturing sulphuric acid	
	One complete installation for manufacturing alcohol	
Northwest Paper Mfg Factory	One continuous-web paper-manufacturing machine	Synthetic paper: 200 tons
	One circular-web paper-manufacturing machine	(Other products: paper used for newspapers, Chinese quality papers)

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	Two 440-kw generators	
Northwest Electrochemical Factory	One complete installation for manufacturing caustic soda	Caustic soda: 30 tons Hydrochloric acid: 25 tons
	One complete installation for manufacturing hydrochloric acid	Bleaching powder: 30 tons
	One complete installation for manufacturing bleaching powder	Potassium chlorate: 3 tons
	One complete installation for manufacturing potassium chlorate	
	One 400-kw transformer	
Northwest Leather	Two complete installations for manufacturing leather products	Leather products: 1,800 pc
Chin Hua Rolled Tobacco Factory	One tobacco-cutting machine	Rolled tobacco: 1,500 bx
	One tobacco-drying machine	
	One tobacco-toasting machine	
Northwest Printing Shop	16 concave-convex rubber and wooden plates	Various printing materials: 900 pc
	12 various types of equipment such as type foundry, paper cutter, engraving block, grinding plant, printing-ink-manufacturing machine, etc.	
	One combination negative printer and developer	
T'ai-yuan Fats and Oils Factory	3 oil-extracting machines (powered)	Lard: 40 tons

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	6 oil-extracting machines (manual)	Laundry soaps: 45 tons
	Equipment for manufacturing soap	Face soap: 5 tons
Northwest Hsingnung Alcohol Factory Power Plants (those located in the suburbs of the cities)	One complete installation for manufacturing alcohol	Alcohol: 5 tons
	One 1,000-kw generator	(Note: The total present capacity of all of these generators is about 9,200 kw.)
	One 3,000-kw generator	
	One 4,000-kw generator	
	One 5,000-kw generator	
Experimental Laboratory, Yun-ch'eng Power Plant	One 230-kw generator	
	Various facilities for chemistry and physics experimentation and analysis.	(Note: This laboratory is used for analyzing the physical and chemical properties of the various raw materials used by the various factories)

D. Proposed 1948 Output and Construction Plan

1. Output

Present output and planned output for 1948 by the various industries under the Northwest Industrial Development Corporation are given below:

a. Northwest Steel Foundry

Present daily output

Crude iron: 50 tons
Steel: 60 tons

Planned daily output for 1948

Crude iron: 200 tons
Steel: 200 tons

b. Machinery Shops

Total output of machinery for last two years: 30,000 tons
Planned output for 1948: 50,000 tons

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d. Power plants

Present maximum capacity of generators: 10,000 kw
Planned capacity for 1948: 60,000 kw

e. Coal mines

Present monthly output of coal: 30,000 tons
Planned monthly output for 1948: 60,000 tons

2. Construction

Plans have been made to purchase modern machinery from the United States to increase the facilities of the various factories and mines. Necessary preparations such as the selection of sites where new machinery will be installed, personnel, etc., have already been completed by the Northwest Industrial Development Corporation so that installation of machinery can take place immediately upon arrival from Shang-hai.

The original 1½-ton contact-process equipment for manufacturing sulphuric acid is to be converted into a 10-ton lead chamber process installation.

The 3-year production plan for machinery by the various factories is as follows:

1st year, 1,000 units of machinery; 2d year, 5,000 units of machinery; 3d year, 15,000 units of machinery.

II. NORTHWEST STEEL FOUNDRY AND ITS SOURCE OF IRON AND COAL

(Source: T'ai-yuan Fu-hsing Jih-pao (T'ai-yuan Recovery Daily), 14 August 1947)

The Northwest Steel Foundry is located on the outskirts of Hsiao-pei-men, T'ai-yuan. Its plant area covers 6,000 acres extending 1,310 feet north and south and 770 feet east and west. Before the war, it was regarded as the largest steel foundry in China. The present deputy director of this foundry is Ch'ang Hai-ch'iao.

The total iron-ore reserves of Shansi Province are estimated at 150,000,000 tons, distributed as follows (in tons):

Ning-wu	2,700,000
Ching-lo	8,000,000
P'ing-yu	3,500,000
Tung-shan	3,500,000
Hsi-shan	14,000,000
Tai-wu	100,000,000
Ting-hsiang	1,500,000
Lu-tse	15,000,000

The iron ores of Shansi are generally found mixed with the coal seams of the Permian Period. The ores are either hematite or limonite. The iron content of the limonite ore is generally found to be about 35-50 percent, the average being about 42.5 percent, while the hematite ore contains between 38-62 percent pure iron, the average being about 50 percent.

The main sources of iron ore for the Northwest Steel Foundry are Tung-shan, Ting-hsiang, and Ning-wu. This steel foundry processes about 100,000 tons of iron ore a year. The amount processed daily is about 300 tons.

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The coal reserves of Shansi Province are estimated at 110,926,000,000 tons, distributed as follows (in tons):

Ning-wu	700,000,000
Li-hsi	18,000,000,000
Hun-yuan	8,000,000,000
Wu-tai	100,000,000
Yang-ching	2,300,000,000
Along the T'ai-yuan--Shih-chia-chuang Railroad (mainly at P'ing-ting, Yu and Liao)	13,000,000,000
Lin-fen	31,000,000,000
An-p'ing	5,200,000,000
Pou-shan	26,000,000
Ch'ang, Kao and Ching-yang	28,800,000,000

About 60 percent (or 80,000,000,000 tons) of this coal reserve are suitable for coking.

For the most part, the Northwest Steel Foundry has been obtaining its coking coal from the mines located between Fenyang and Lin-fen along the Ta-t'ung--P'u-k'ou Railroad, such as the Fu-chia Coal. Aside from the 350 tons of coking coal obtained from the Fu-chia Coal Mine, the Northwest Steel Foundry is daily obtaining 100 tons of pot-furnace coal from the Hsi-shan Mine and 50 tons of coal used for carbonization from the Ta-t'ung Mine.

Limestone deposits are found on river beds and piedmont areas near the Tung-shan and Hsi-shan Coal Mines. No accurate estimate has been made of their reserves, but the underground limestone seam reaches a thickness of 300 meters. The Northwest Steel Foundry uses about 200 tons of limestone daily.

A large amount of soft manganese ore containing 42 percent pure manganese is being extracted from the Ching-lo Iron Mine. This mine is located about 50 km northwest of Hsin Hsien in the mountainous area, so that transportation difficulties greatly hinder output.

A large deposit of gypsum and clay is found near the Tung-shan and Hsi-shan areas, and dolomite is found near Ting-hsiang.

III. SHANSI INDUSTRY

(Source: Nan-ching Chung-yang Jih-pao (Nan-ching Central Daily News), 3 January 1948

The organization which controls industries, mines and railroads throughout the Shansi Province is known as the Board of Directors of the Shansi Province Public-Operated Enterprises. It was organized with a capital stock of 5,000,000 yuan. Its members are elected by the people of Shansi Province. This board controls the Northwest Industrial Development Corporation and the Ta-t'ung--P'u-chou Railway.

Before the war, the Ta-t'ung--P'u-chou Railway consisted of about 853 km of main railway lines and 162 km of branch lines. However, the Japanese destroyed about 123 km during the war, while the Chinese Communists destroyed some 666 km, as well as some 1,081 bridges, after the war. Consequently, there are only 248 km between Kao-ts'un and Ling-shih in operation at the present time.

According to a survey made by the Board of Directors of the Shansi Province Public-Operated Enterprises, losses sustained by the public enterprises of Shansi Province during the war were placed at 2,513,500,000,000

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yuan, while the damage inflicted by the Communists after the war was estimated to be about 156,700,000,000 yuan (TN: These figures would have meaning only if the date of estimation were given). The Northwest Industrial Development Corporation had about 4,900 units of machinery before the war, but it was able to recoup only 300 of these when various plants and factories were taken over from the Japanese. Nineteen of its mines have been destroyed, and only two coal mines are now operating near T'ai-yuan.

Although the Northwest Industrial Development Corporation now controls some 36 factories and mines, only 27 are actually in operation. The remaining nine are not being operated because of irreparable damage by the Japanese, or because they have fallen into Communist hands.

The employment figures of the Northwest Steel Foundry, Northwest Locomotive Works, and Northwest Wool-Weaving Mill at T'ai-yuan are as follows:

	Management Personnel	Laborers
Northwest Steel Foundry	260	2,000
Northwest Locomotive Works	138	2,000
Northwest Wool-Weaving Mill	130 [sic]	340

For its coal and iron, the Northwest Steel Foundry is now depending solely on two coal mines and the Tung-shan Iron Mine located some 13 miles from T'ai-yuan. They are the only mines operating near T'ai-yuan.

The Tung-shan Iron Mine, discovered after the war, is now producing about 20,000 tons of iron ore per month. The quality of the iron ore is excellent. No accurate survey has been made as yet to determine the extent of the deposits.

IV. DATA ON NORTHWEST INDUSTRIAL DEVELOPMENT CORPORATION

(Source: Shang-hai Shen-pao (Shang-hai News), 10 March 1948)

Pertinent industrial data on the various industries under the control of the Northwest Industrial Development Corporation are given below:

1. Northwest Steel Foundry

   Employees: 3,254 men

2. Coal Mines

   Number of coal mines under said corporation: 4
   Employees: 5,000 men
   Monthly combined output: 75,000 tons

3. Machine Shops

   Number of machine shops under said corporation: 4
   Employees: 1,5000 men

4. Northwest Locomotive Works

   Employees: about 1,000 men [cf Section VI]

5. Chemical Factory

   Employees: about 1,000 men

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6. Paper Factory

Monthly production: 300 tons of various paper products.

V. NORTHWEST CHEMICAL FACTORY

(Source: Shang-hai Tung-nan Jih-pao (Shang-hai Southeast Daily), 10 April 1948)

The main source of iron sulphide in Hsi-shan district is found near Wang-feng-chen, the reserves being estimated at 5,000,000 tons containing 45 percent sulphur. In the extraction of sulphur from the iron sulphide found in this area, the Northwest Chemical Factory uses the dry-distillation process.

Because of the loss of this area [Wang-feng-chen] to the Chinese Communists, the Northwest Chemical Factory is now experiencing great difficulty in obtaining iron sulphide.

VI. DAMAGE TO SHANSI INDUSTRIES AND MINES

(Source: P'ing-ming Jih-pao (Dawn Daily News), 30 December 1947)

The following-named factories of the Northwest Industrial Development Corporation suffered the greatest loss of machinery during the war: Northwest Chemical Factory, Northwest Printing Shop, Northwest Oxygen Plant, Northwest Locomotive Works, Northwest Yu-ts'ai Wrought Steel Machinery Shop, Northwest Cement Factory, and the Northwest Electrochemical Factory.

As a result of the Communist postwar offensives around the Ta-t'ung area, the following factories were partially destroyed: Ta-t'ung Alcohol Factory (TN: Presumably Ta-t'ung Hsing-nung Alcohol Factory), Ta-t'ung Graphite Factory, Ta-t'ung Flour Mill, Ta-t'ung Pharmaceutical Factory, Hsi-hsien Match Factory, Ta-t'ung power plant(s), and the branch factories in the Ta-t'ung area of the Northwest Yu-ts'ai Wrought-Steel Machinery Shop, Northwest Cement Factory, Northwest Steel Foundry, and the Northwest Match Factory.

The damage inflicted by the Chinese Communists upon the various industries after the war to December 1946 was estimated to be about 156,700,000,000 (CNC) dollars.

The following coal mines have fallen into Communist hands since the end of the war: Hsien-kang, Ta-t'ung, Ning-wu, Ting-hsiang, Yang-ch'uan, and Shou-yang mines.

Mines No 1 and 2 of the Northwest Coal Mines are the only ones now operating near T'ai-yuan. Mine No 1 is now employing about 3,300 men and producing about 4,500 tons [Sic] of coal a month, while Mine No 2 is employing 231 men and producing about 5,000 tons of coal a month.

Pertinent industrial data of other industries under the control of the Northwest Industrial Development Corporation are as follows:

1. Northwest Steel Foundry

Employees: 3,250 men

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2. Northwest Yu-ts'ai Wrought-Steel Machinery Shop

This shop operated only 150 days in 1947 but produced about 214,896 kg of steel products.

3. Northwest Repair Shop

Employees: 2,800 men

4. Northwest Locomotive Works

Employees: 2,100 men

5. Northwest Chemical Factory

Employees: 960 men

6. Northwest Match Factory

Employees: 420 men

7. Northwest Paper Mfg Factory

Employees: 540

VII. T'AI-YUAN RESOURCES

(Source: Shang-hai Tung-nan Jih-pao (Shanghai: Southeast Daily), 1 May 1948)

The abundant coal, iron, and other mineral deposits of Tung-shan and Hsi-shan areas are the main mineral sources for T'ai-yuan industries. After the loss of the Ning-wu, Hung-yuan, Lu-tse, and Lin-fen coal mines and the Ting-hsiang and Shou-yang iron mines to the Chinese Communists, the Tung-shan and Hsi-shan areas have become increasingly important to the Kuomintang Government.

The Hsi-shan area, located within 3 miles to T'ai-yuan, is one of the largest coal districts in Shansi Province. Aside from its coal, Hsi-shan is now supplying large quantities of iron, limestone, gypsum, and other ores to T'ai-yuan over the T'ai-yuan--Pai-chia-chuang Road.

The coal beds of the Hsi-shan mining district consist of an upper and a lower seam. The upper seam is of the Permian and Carboniferous Period, while the lower seam is of the Carboniferous Period. Bituminous coal is located between the Carboniferous and Permian layers of the top seam, while most of the lower seam consists of anthracite coal. Due to the terrain, the seams are for the most part outcropped, ranging from 2.0 to 5.50 meters in thickness.

The prewar estimate of the coal reserves in Hsi-shan, including Pai-chia-chuang, Yeh-yu, Hsi-ming, and Huang-chih-ts'un coal mines, was placed at 3,200,005,000 tons. Coal dug from the Hsi-ming Mine is regarded as the best because, having high inflamability, it is suitable for coking and pot-furnace use. However, this mine is located at an elevation of 1,450 meters, and its output is thus greatly hampered by transportation difficulties.

The coal reserves of the Hsi-ming Coal Mine alone were placed at 80 million tons by a Japanese named Kimura. Based on a yearly output of 200,000 tons, he estimated that this mine was capable of producing coking coal for a period of 73 years.

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Mine No 1 of the Northwest Coal Mines, which produced 390,000 tons of coal in 1947, is the only mine in the Hsi-shan district equipped with machinery. This output is far below the requirements for over-all demands, so that the Northwest Industrial Development Corporation is now making plans to increase its output to 870,000 tons in 1948.

Other mineral deposits of the Hsi-shan district are 300 million tons of gypsum, one million tons of dolomite, 500,000 tons of sulphur and more than 50 million tons of iron ore.

The Hsi-shan Iron Mine was established in October 1947 by the Northwest Industrial Development Corporation. The iron-ore reserves of this mine have been estimated at 50 million tons, containing 35-45 percent iron. Production for 1948 is expected to be about 120,000 tons. Compared to the Tung-shan iron ore, however, that of the Hsi-shan mine is regarded as inferior.

VIII. TUNG-SHAN, VITAL SOURCE OF COKING COAL

(Source: Shansi Kung-shang Jih-pao (Shansi Industrial and Commercial Daily), 8 May 1948)

The Tung-shan area near T'ai-yuan has become a vital source of coking coal to the T'ai-yuan steel industry since the fall of other surrounding coal areas into Communist hands.

Mine No 4 of the Northwest Coal Mines, one of the most important in the Tung-shan area, is located in the village of Yang-chia-yu. This village is about 3 miles from T'ai-yuan. The coal field of this mine, which has two shafts operating, extends about 500 hectares. Detailed information on these shafts, known as Fu-hsing and Hei-sha-p'ing, is as follows:

1. Fu-hsing Shaft

The Fu-hsing shaft began operations on 3 May 1947. Although it is now producing about 40 tons of coking coal a day, its potential daily productive capacity is placed at 250 tons. The coal reserves of this shaft are estimated at 9,750,000 tons, but, only 6,500,000 tons of this are considered to be extractable. The depth of this shaft now reaches 65 meters. The seam is said to be about 1½ meters thick.

2. Hei-sha-p'ing Shaft

The Hei-sha-p'ing shaft is an old one which was reopened in September 1947. Although it is only producing about 140 tons of fuel coal a day, its potential output is estimated at 250 tons. This shaft cuts through an 18-foot seam and a 3-foot seam. The coal reserves of the 18-foot seam are estimated to be 39 million tons, while the reserves of the 3-foot seam are placed at 6,500,000 tons. However, only 5,850,000 tons of the coal in the 3 foot seam are said to be extractable. The depth of the Hsi-sha-p'ing shaft now reaches about 130 meters.

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